



February 9, 2001

---

## SENATE BILL No. 53

---

DIGEST OF SB 53 (Updated February 6, 2001 11:28 AM - DI 92)

**Citations Affected:** IC 8-21; noncode.

**Synopsis:** Grants for contract air traffic control towers. Creates the contract for services fund to provide grants for nonfederal contract air traffic control towers. Provides that the fund is administered by the Indiana department of transportation. Requires the department to adopt rules establishing a maximum grant amount. Appropriates \$500,000 in initial funding from the state general fund.

**Effective:** July 1, 2001.

---

---

**Craycraft, Riegsecker, Landske,  
Simpson, Lanane, Broden, Zakas**

---

---

January 8, 2001, read first time and referred to Committee on Transportation and Interstate Cooperation.  
February 8, 2001, amended, reported favorably — Do Pass; reassigned to Committee on Finance.

---

---

C  
o  
p  
y

SB 53—LS 6170/DI 94+



February 9, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## SENATE BILL No. 53

A BILL FOR AN ACT to amend the Indiana Code concerning transportation and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 8-21-13 IS ADDED TO THE INDIANA CODE AS
- 2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2001]:
- 4 **Chapter 13. Contract Air Traffic Control Tower Funds**
- 5 **Sec. 1. As used in this section, "eligible entity" means:**
- 6 (1) an airport authority established by IC 8-22-3;
- 7 (2) a board of aviation commissioners established by
- 8 IC 8-22-2;
- 9 (3) an airport established by IC 20-12-50; or
- 10 (4) an airport eligible for an exemption under IC 6-1.1-10-15.
- 11 **Sec. 2. As used in this chapter, "fund" refers to the contract for**
- 12 **services fund established by section 4 of this chapter.**
- 13 **Sec. 3. As used in this chapter, "nonfederal contract tower"**
- 14 **refers to a tower that is funded by:**
- 15 (1) local revenue sources;
- 16 (2) revenue from the nonfederal contract tower program (as
- 17 defined by the Federal Aviation Administration); or

SB 53—LS 6170/DI 94+



C  
o  
p  
y

(3) a combination of the sources described in subdivisions (1) and (2).

Sec. 4. (a) The contract for services fund is established for the purpose of providing grants to assist an eligible entity in contracting for air traffic control tower services at nonfederal contract air traffic control towers.

(b) The department shall administer the fund.

(c) The department shall pay the expenses of administering the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments must be deposited in the fund.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 5. (a) The department shall adopt rules under IC 4-22-2 to establish a program to foster the development of nonfederal contract air traffic control towers in Indiana.

(b) The rules must establish:

- (1) the maximum amount of money that one (1) eligible entity may receive in a calendar year;
- (2) an application procedure;
- (3) the local matching funds that are required;
- (4) that a grant awarded under this chapter may only be used for the purpose stated in this chapter; and
- (5) other provisions necessary to implement this chapter.

(c) To receive a grant from the fund, an eligible entity must:

- (1) complete the application required by the department;
- (2) submit to the department information on the amount of the total annual contract to operate a nonfederal contract air traffic control tower;
- (3) fulfill any local matching fund requirements established by the department; and
- (4) meet any other requirements established by the department.

Sec. 6. (a) Subject to subsection (b), the department shall determine the allocation of grant funds among eligible applicants.

(b) Subject to the maximum grant amount set forth under rules adopted under section 5 of this chapter, a grant award to an eligible entity is equal to the amount determined under the last of the following STEPS:

STEP ONE: Determine the amount of the total annual



1 contract to operate the nonfederal contract air traffic control  
2 tower.

3 **STEP TWO: Determine the amount of the tower's federal**  
4 **reimbursement.**

5 **STEP THREE: Subtract the STEP TWO result from the**  
6 **STEP ONE result.**

7 **STEP FOUR: Divide the STEP THREE result by two (2).**

8 **Sec. 7. Funds in the airport development grant fund and the**  
9 **airport development revolving loan fund established by**  
10 **IC 8-21-11-4 may not be used for the purposes of this chapter.**

11 **SECTION 2. [EFFECTIVE JULY 1, 2001] (a) There is**  
12 **appropriated to the contract for services fund established by**  
13 **IC 8-21-13-3, as added by this act, five hundred thousand dollars**  
14 **(\$500,000) from the state general fund for grants for nonfederal**  
15 **contract air traffic control tower operating contracts for the period**  
16 **beginning July 1, 2001, and ending June 30, 2002.**

17 **(b) This SECTION expires July 1, 2002.**

C  
o  
p  
y



SENATE MOTION

Mr. President: I move that Senator Riegsecker be added as second author of Senate Bill 53.

CRAYCRAFT

---

SENATE MOTION

Mr. President: I move that Senators Landske, Simpson, Lanane, Broden and Zakas be added as coauthors of Senate Bill 53.

CRAYCRAFT

C  
o  
p  
y



## COMMITTEE REPORT

Mr. President: The Senate Committee on Transportation and Interstate Cooperation, to which was referred Senate Bill No. 53, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 9, after ";" insert "or".

Page 1, line 10, delete ";" and insert ".".

Page 1, delete lines 11 through 12.

Page 1, line 14, delete "3" and insert "4".

Page 1, between lines 14 and 15, begin a new paragraph and insert:

**"Sec. 3. As used in this chapter, "nonfederal contract tower" refers to a tower that is funded by:**

**(1) local revenue sources;**

**(2) revenue from the nonfederal contract tower program (as defined by the Federal Aviation Administration); or**

**(3) a combination of the sources described in subdivisions (1) and (2)."**

Page 1, line 15, delete "3." and insert "4.".

Page 2, line 11, delete "4." and insert "5.".

Page 2, delete lines 31 through 42, begin a new paragraph and insert:

**"Sec. 6. (a) Subject to subsection (b), the department shall determine the allocation of grant funds among eligible applicants.**

**(b) Subject to the maximum grant amount set forth under rules adopted under section 5 of this chapter, a grant award to an eligible entity is equal to the amount determined under the last of the following STEPS:**

**STEP ONE: Determine the amount of the total annual contract to operate the nonfederal contract air traffic control tower.**

**STEP TWO: Determine the amount of the tower's federal reimbursement.**

**STEP THREE: Subtract the STEP TWO result from the STEP ONE result.**

**STEP FOUR: Divide the STEP THREE result by two (2).**

**Sec. 7. Funds in the airport development grant fund and the airport development revolving loan fund established by IC 8-21-11-4 may not be used for the purposes of this chapter."**

C  
o  
p  
y



Page 3, delete lines 1 through 11.

and when so amended that said bill be reassigned to the Senate Committee on Finance.

(Reference is to SB 53 as introduced.)

RIEGSECKER, Chairperson

Committee Vote: Yeas 8, Nays 0.

C  
o  
p  
y

